

THIRD AMENDMENT TO
POTOMAC PLACE SHOPPING CENTER
RETAIL LEASE

THIS THIRD AMENDMENT TO LEASE AGREEMENT (the "Third Amendment") is made as of this 12th day of September, 2007, by and between POTOMAC PLACE LIMITED PARTNERSHIP, a Maryland Limited Partnership ("Landlord") and MONTGOMERY COUNTY, MARYLAND, a body politic and corporate ("Tenant"):

WITNESSETH:

WHEREAS, Landlord and Tenant entered into that certain Potomac Place Shopping Center Retail Lease Agreement dated November 17, 1989 (the "Original Lease"), that certain First Amendment to Retail Lease Agreement dated October 2, 1990 (the "First Amendment") and that certain Second Amendment to Retail Lease dated October 7, 1997 (the "Second Amendment"); and

WHEREAS, pursuant to the terms of the Original Lease, the First Amendment and the Second Amendment, Tenant currently leases from Landlord approximately 2,786 rentable square feet of retail space at 10132 River Road (the "Premises") located in the Potomac Place Shopping Center (the "Shopping Center") situated in the Village of Potomac, Montgomery County, Maryland

WHEREAS, Landlord and Tenant now desire to amend certain terms of the Original Lease, the First Amendment and the Second Amendment in this Third Amendment (the Original Lease, the First Amendment, the Second Amendment and the Third Amendment are hereinafter collectively referred to as the "Lease") to reflect an extension of the lease term and as otherwise provided herein.

NOW THEREFORE, in consideration of the mutual covenants herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby agree to amend the Original Lease as follows:

1. Effective on November 1st, 2007 (the "Effective Date"), Sections 2, TERM, of the Introductory Provisions, shall be amended to add the following:

"The Lease Term shall be extended from the Effective Date to October 31, 2017 (the 'Extended Term')."
2. Effective on the Effective Date, Section 2(C), Right of First Offer, shall be added:

(c) Right of First Offer. Provided (i) No other tenant of the Center exercises any option that is contained in its lease to lease the ("First Offer Premises") as defined below and (ii) Tenant is not in default under this Lease, Landlord shall deliver a written notice (the "Right of First Offer Notice") to Tenant which advises Tenant that Landlord desires to lease Store 131 containing approximately 1,118 square feet contiguous to the Premises which shall be available on August 1, 2010 (the "First Offer Premises") the First Offer Premises and advising Tenant of the terms and conditions of such offer. In the event that Tenant desires to lease all, but not less than all, of the First Offer Premises, then Tenant shall, within thirty (30) days after the date that Landlord delivers the Right of First Offer Notice to Tenant, send a written notice to Landlord advising Landlord that Tenant desires to lease the First Offer Premises from Landlord. In the event Tenant delivers such notice to Landlord in strict accordance with the foregoing provisions, then Landlord shall lease the First Offer Premises to Tenant in accordance with the provisions of Section 2(c)(ii) below. In the event that Tenant fails to timely deliver a notice to Landlord which advises Landlord that Tenant desires to lease the First Offer Premises, then Landlord shall be free to lease the First Offer Premises to any party, and the provisions of this Section 2(c) shall be null and void and of no further force or effect.

(ii) In the event that Tenant timely exercises its option to lease the First Offer Premises, then Landlord shall lease the First Offer Premises to Tenant, and Tenant shall lease the First Offer Premises from Landlord, upon the following terms and conditions: (1) Minimum Annual Rent with respect to First Offer Premises shall be in accordance with the Availability Notice; (2) Tenant shall commence paying Minimum Annual Rent with respect to the First Offer Premises on the date that Landlord delivers possession of the First Offer Premises to Tenant (such date shall be referred to as the "First Offer Premises Commencement Date"), (3) the term of this Lease with respect to the First Offer Premises shall be coterminous with the term of this Lease with respect to the Leased Premises; (4) Landlord shall improve the First Offer Premises in accordance with the Availability Notice to reasonably match the Leased Premises; and (5) as of the First Offer Commencement Date, Tenant's proportionate share with respect to increases in Basic Operating Charges and Real Estate Taxes shall be appropriately increased. Within ten (10) days after Landlord's request, the parties shall enter into a written amendment of this Lease which reflects that Landlord is leasing to Tenant and Tenant is leasing from Landlord, the First Offer Premises in accordance with the foregoing provisions.

3. Effective on the Effective Date, Section 3, RENT, of the Introductory Provisions, shall be amended to add the following:

"The Base Monthly Rent for the Extend Term shall be:

<u>Term</u>	<u>Minimum Annual Rent</u>	<u>Basic Monthly Rent</u>
11/1/07-10/31/08	\$236,810.00	\$19,734.17
11/1/08-10/31/09	\$243,914.30	\$20,326.19
11/1/09-10/31/10	\$251,231.73	\$20,935.98
11/1/10-10/31/11	\$258,768.68	\$21,564.06
11/1/11-10/31/12	\$266,531.74	\$22,210.98
11/1/12-10/31/13	\$274,527.69	\$22,877.31
11/1/13-10/31/14	\$282,763.52	\$23,563.63
11/1/14-10/31/15	\$291,246.43	\$24,270.54
11/1/15-10/31/16	\$299,983.82	\$24,998.65
11/1/16-10/31/17	\$308,983.34	\$25,748.61"

4. Effective on the Effective Date, Exhibit B, Tenant's Work, shall be added:

"Tenant at Tenant's sole cost and expense shall:

1. Replace the ceiling tile and lights in the Premises.
 2. Install new wall covering/paint the Premises
 3. Improve cashier counter area.
 4. Install new floor covering in the Premises"
5. Effective on the Effective Date, Section 39, Mailing Notices, shall be amended to add:

"To Landlord: Potomac Place Limited Partnership
C/O Zuckerman Gravely Management, Inc.
2 Wisconsin Circle
Suite 1050
Chevy Chase, MD 20815

To Tenant: Montgomery County, Maryland
Department of Public Works & Transportation
Office of Real Estate
101 Monroe Street, 10th Floor
Rockville, Maryland 20850
Attn: Director of real Estate

With a copy, that does not constitute notice to:

Montgomery County, Maryland
Office of the County Attorney
101 Monroe Street, 3rd Floor
Rockville, Maryland 20850
Attn: County Attorney"

7. Landlord and Tenant represent and warrant that there are no claims for broker's commissions or finder's fees associated with this Third Amendment.
8. In the event of a conflict between the provisions of this Third Amendment and the provisions of the Original Lease, the First Amendment and the Second Amendment, the provisions of this Third Amendment shall control.
9. Except as modified herein, all other terms and conditions of the Lease shall remain in full force and effect, unchanged and unmodified.
10. This Third Amendment shall become effective only when executed by both parties and Landlord has delivered a fully executed original to Tenant.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Third Amendment
intending to be legally bound.

LANDLORD:

POTOMAC PLACE LIMITED PARTNERSHIP,
a Maryland Limited Partnership
By: POTOMAC PLACE II LIMITED
PARTNERSHIP,
a Maryland Limited Partnership, its general
partner
By: POTOMAC SHOPPING CENTER, INC., a
Maryland Corporation, its general partner

By: _____

Shelton Zuckerman
President

TENANT:

MONTGOMERY COUNTY, MARYLAND

By: _____

Diane Schwartz Jones, Assistant
Chief Administrative Officer

Date: _____

11/16/07

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

By: _____

Gileen B. Brennan

Date: _____

10/24/2007

RECOMMENDED:

By: _____

Cynthia L. Brenneman, Director
Office of Real Estate

Date: _____

10/24/07